OIPE IAP42
OCT 10 2007
PATENT & TRADEMARK OFFICE

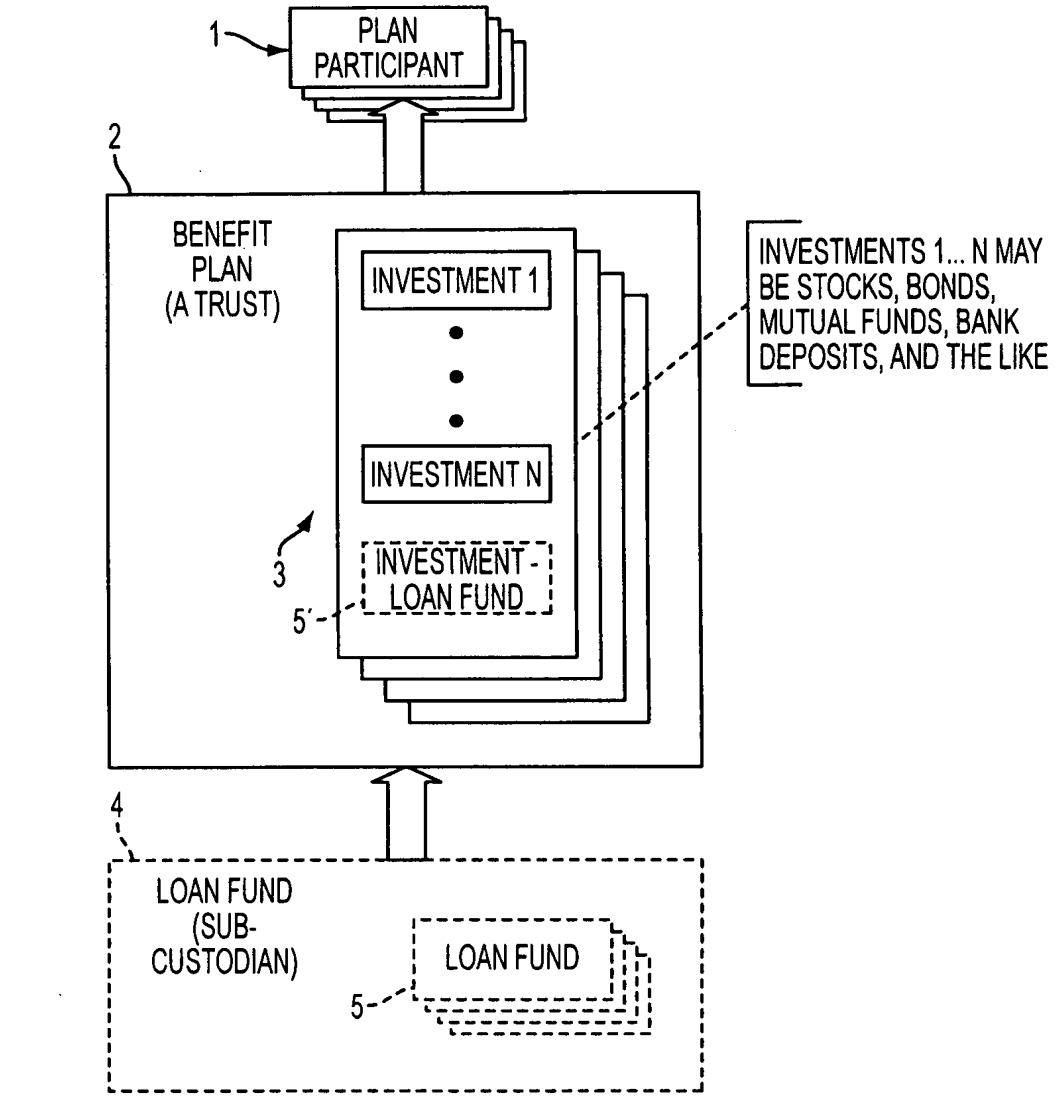

FIG. 1

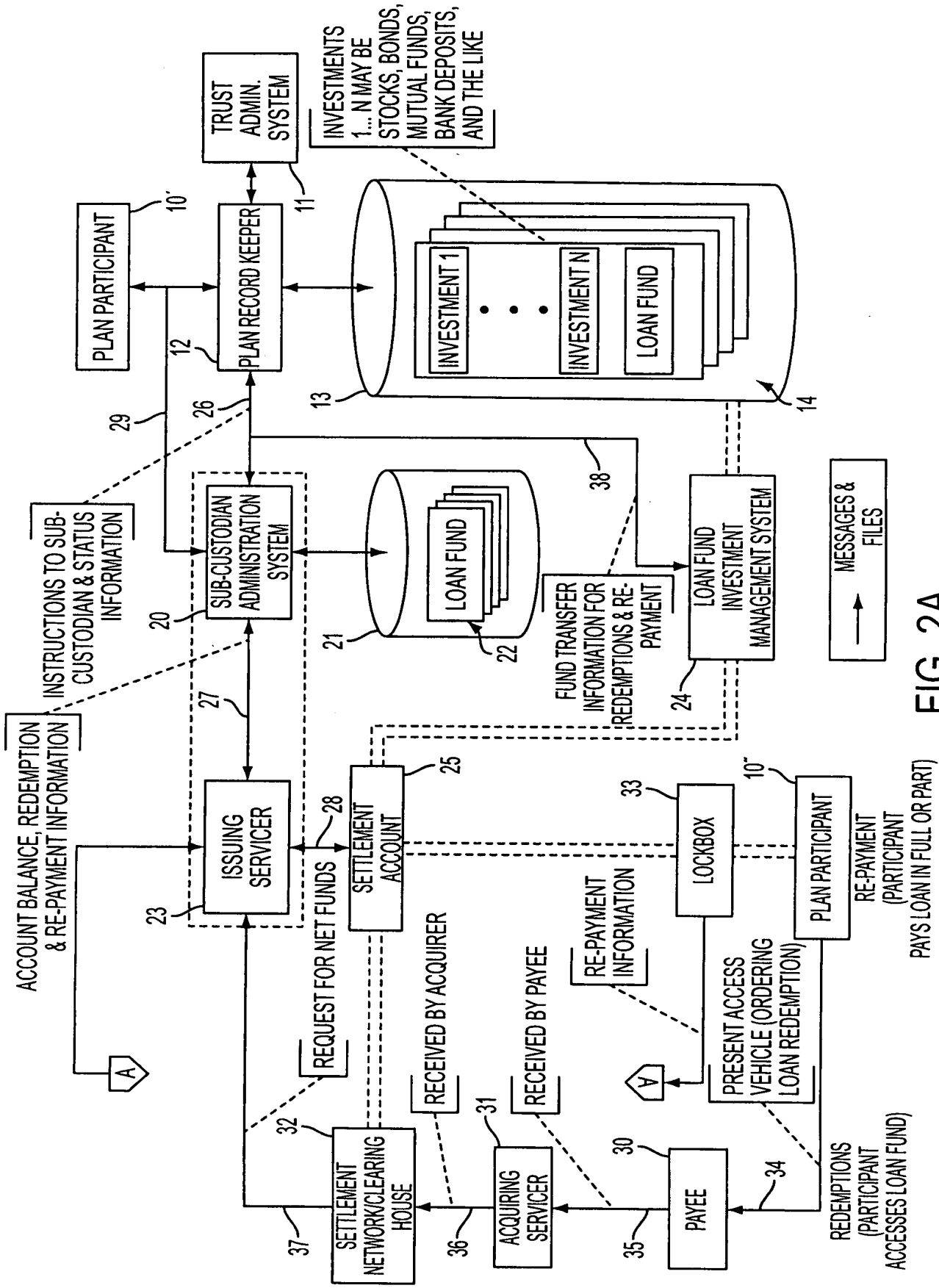
TRUST ADMIN. SYSTEM
INVESTMENTS 1...N MAY BE STOCKS, BONDS, MUTUAL FUNDS, BANK DEPOSITS, AND THE LIKE
PLAN PARTICIPANT
PLAN RECORD KEEPER
INVESTMENT 1
INVESTMENT N
LOAN FUND
SUB-CUSTODIAN ADMINISTRATION SYSTEM
LOAN FUND
INSTRUCTIONS TO SUB-CUSTODIAN & STATUS INFORMATION
FUND TRANSFER INFORMATION FOR REDEMPTIONS & RE-PAYMENT
LOAN FUND INVESTMENT MANAGEMENT SYSTEM
MESSAGES & FILES
ACCOUNT BALANCE, REDEMPTION & RE-PAYMENT INFORMATION
ISSUING SERVICER
SETTLEMENT ACCOUNT
LOCKBOX
PLAN PARTICIPANT
RE-PAYMENT (PARTICIPANT PAYS LOAN IN FULL OR PART)
REQUEST FOR NET FUNDS
RECEIVED BY ACQUIRER
RECEIVED BY PAYEE
RE-PAYMENT INFORMATION
PRESENT ACCESS VEHICLE (ORDERING LOAN REDEMPTION)
SETTLEMENT NETWORK/CLEARING HOUSE
ACQUIRING SERVICER
PAYEE
REDEMPTIONS (PARTICIPANT ACCESSES LOAN FUND)
A
A
10'
10"
11
12
13
14
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38

FIG. 2A

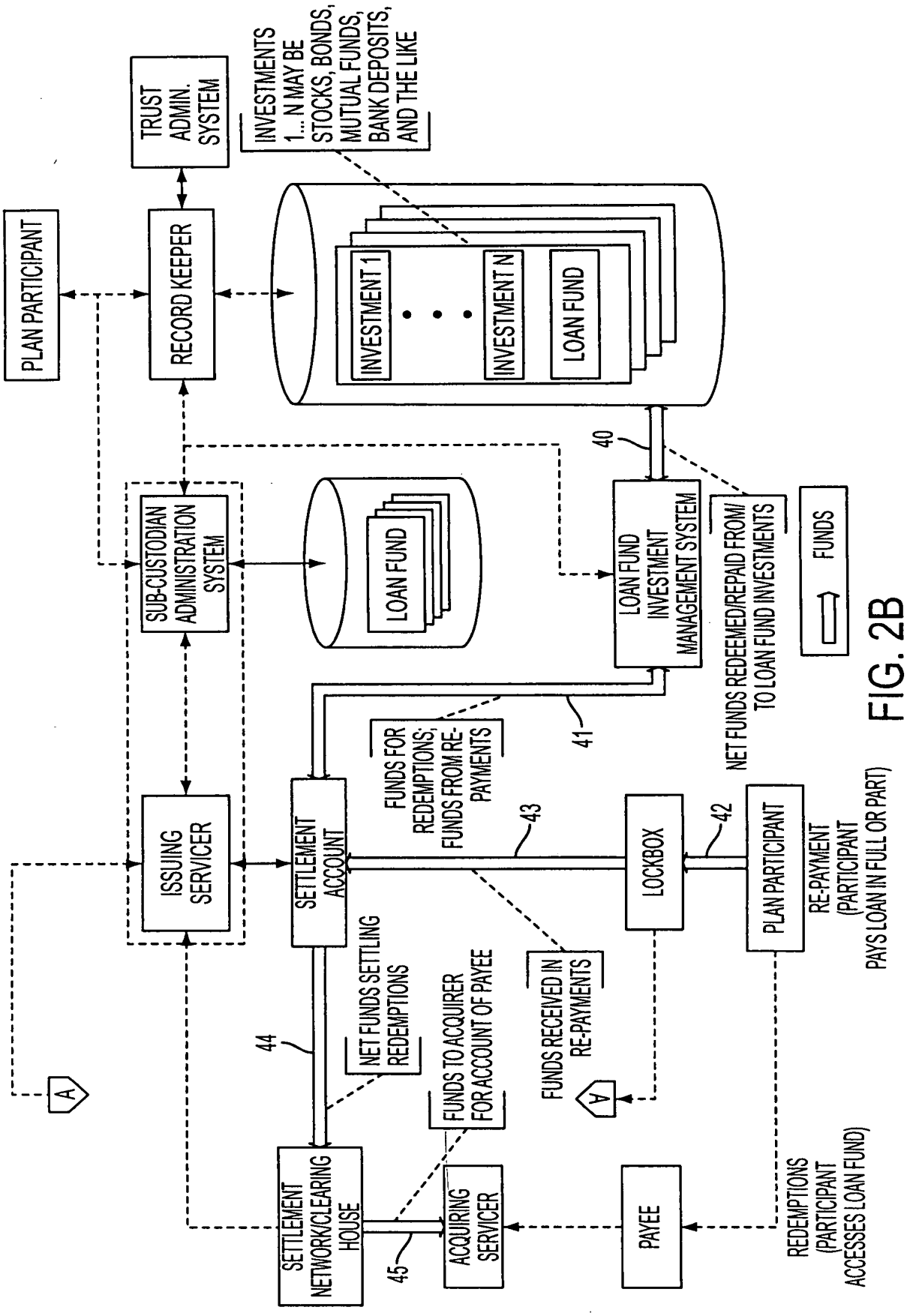
TRUST ADMIN. SYSTEM
INVESTMENTS 1...N MAY BE STOCKS, BONDS, MUTUAL FUNDS, BANK DEPOSITS, AND THE LIKE
PLAN PARTICIPANT
RECORD KEEPER
INVESTMENT 1
INVESTMENT N
LOAN FUND
40
SUB-CUSTODIAN ADMINISTRATION SYSTEM
LOAN FUND
LOAN FUND INVESTMENT MANAGEMENT SYSTEM
NET FUNDS REDEEMED/REPAID FROM/ TO LOAN FUND INVESTMENTS
FUNDS
41
FUNDS FOR REDEMPTIONS; FUNDS FROM RE-PAYMENTS
ISSUING SERVICER
SETTLEMENT ACCOUNT
43
LOCKBOX
42
PLAN PARTICIPANT
RE-PAYMENT (PARTICIPANT PAYS LOAN IN FULL OR PART)
A
44
NET FUNDS SETTLING REDEMPTIONS
FUNDS TO ACQUIRER FOR ACCOUNT OF PAYEE
FUNDS RECEIVED IN RE-PAYMENTS
A
SETTLEMENT NETWORK/CLEARING HOUSE
45
ACQUIRING SERVICER
PAYEE
REDEMPTIONS (PARTICIPANT ACCESSES LOAN FUND)

FIG. 2B

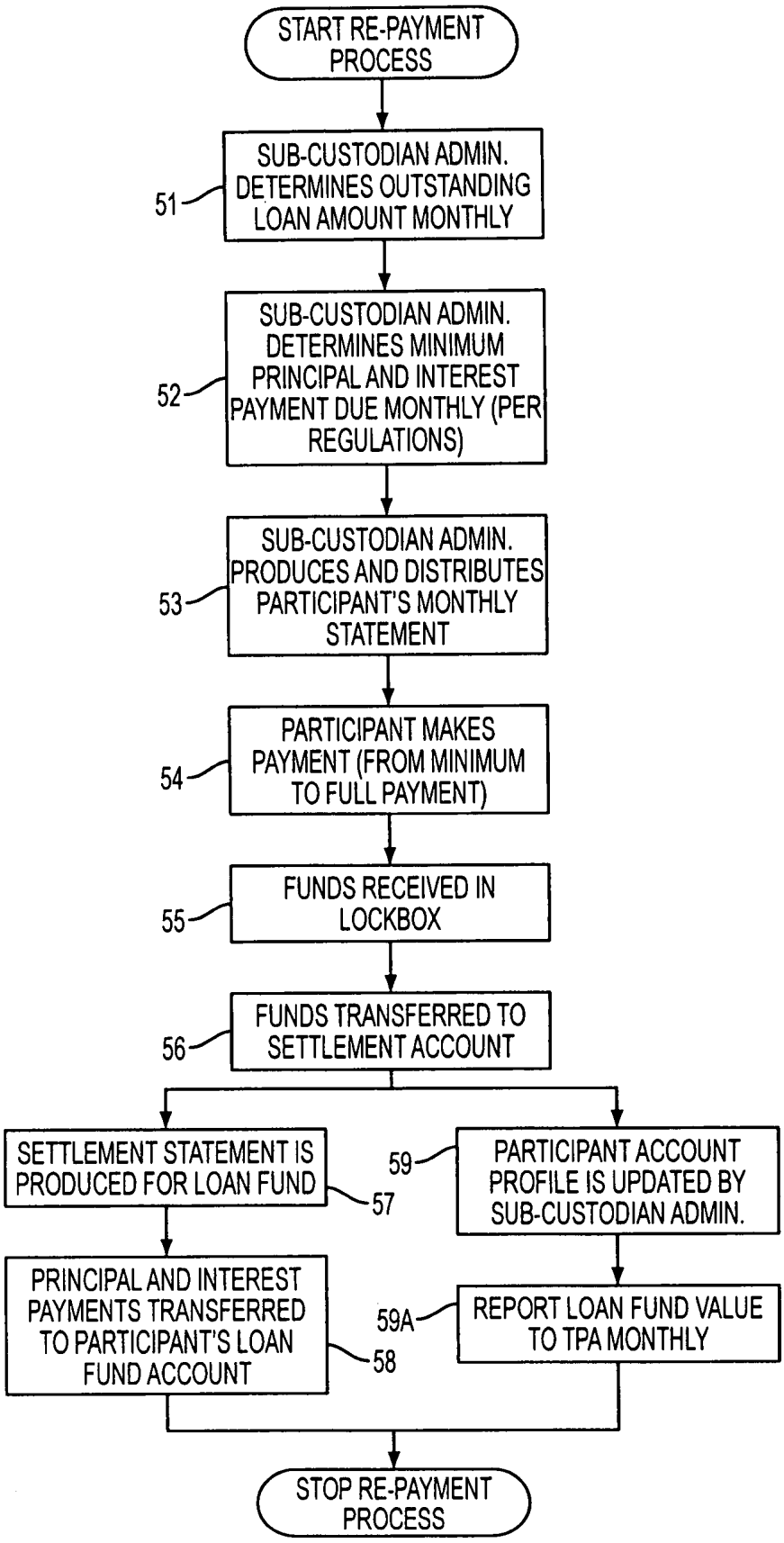
START RE-PAYMENT PROCESS
SUB-CUSTODIAN ADMIN. DETERMINES OUTSTANDING LOAN AMOUNT MONTHLY
51
SUB-CUSTODIAN ADMIN. DETERMINES MINIMUM PRINCIPAL AND INTEREST PAYMENT DUE MONTHLY (PER REGULATIONS)
52
SUB-CUSTODIAN ADMIN. PRODUCES AND DISTRIBUTES PARTICIPANT'S MONTHLY STATEMENT
53
PARTICIPANT MAKES PAYMENT (FROM MINIMUM TO FULL PAYMENT)
54
FUNDS RECEIVED IN LOCKBOX
55
FUNDS TRANSFERRED TO SETTLEMENT ACCOUNT
56
SETTLEMENT STATEMENT IS PRODUCED FOR LOAN FUND
57
PRINCIPAL AND INTEREST PAYMENTS TRANSFERRED TO PARTICIPANT'S LOAN FUND ACCOUNT
58
59
PARTICIPANT ACCOUNT PROFILE IS UPDATED BY SUB-CUSTODIAN ADMIN.
59A
REPORT LOAN FUND VALUE TO TPA MONTHLY
STOP RE-PAYMENT PROCESS

FIG. 3A

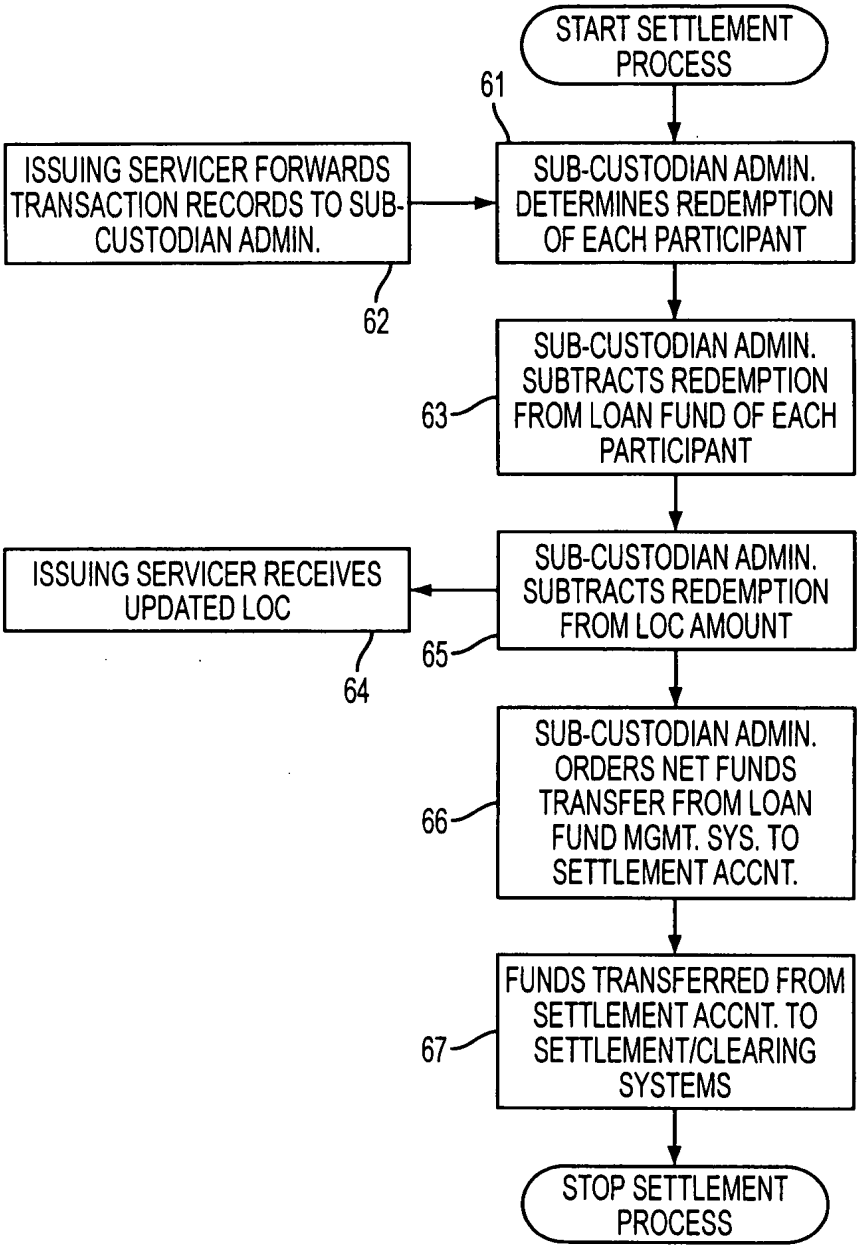
START SETTLEMENT PROCESS
61
SUB-CUSTODIAN ADMIN. DETERMINES REDEMPTION OF EACH PARTICIPANT
ISSUING SERVICER FORWARDS TRANSACTION RECORDS TO SUB-CUSTODIAN ADMIN.
62
SUB-CUSTODIAN ADMIN. SUBTRACTS REDEMPTION FROM LOAN FUND OF EACH PARTICIPANT
63
SUB-CUSTODIAN ADMIN. SUBTRACTS REDEMPTION FROM LOC AMOUNT
65
ISSUING SERVICER RECEIVES UPDATED LOC
64
SUB-CUSTODIAN ADMIN. ORDERS NET FUNDS TRANSFER FROM LOAN FUND MGMT. SYS. TO SETTLEMENT ACCNT.
66
FUNDS TRANSFERRED FROM SETTLEMENT ACCNT. TO SETTLEMENT/CLEARING SYSTEMS
67
STOP SETTLEMENT PROCESS

FIG. 3B

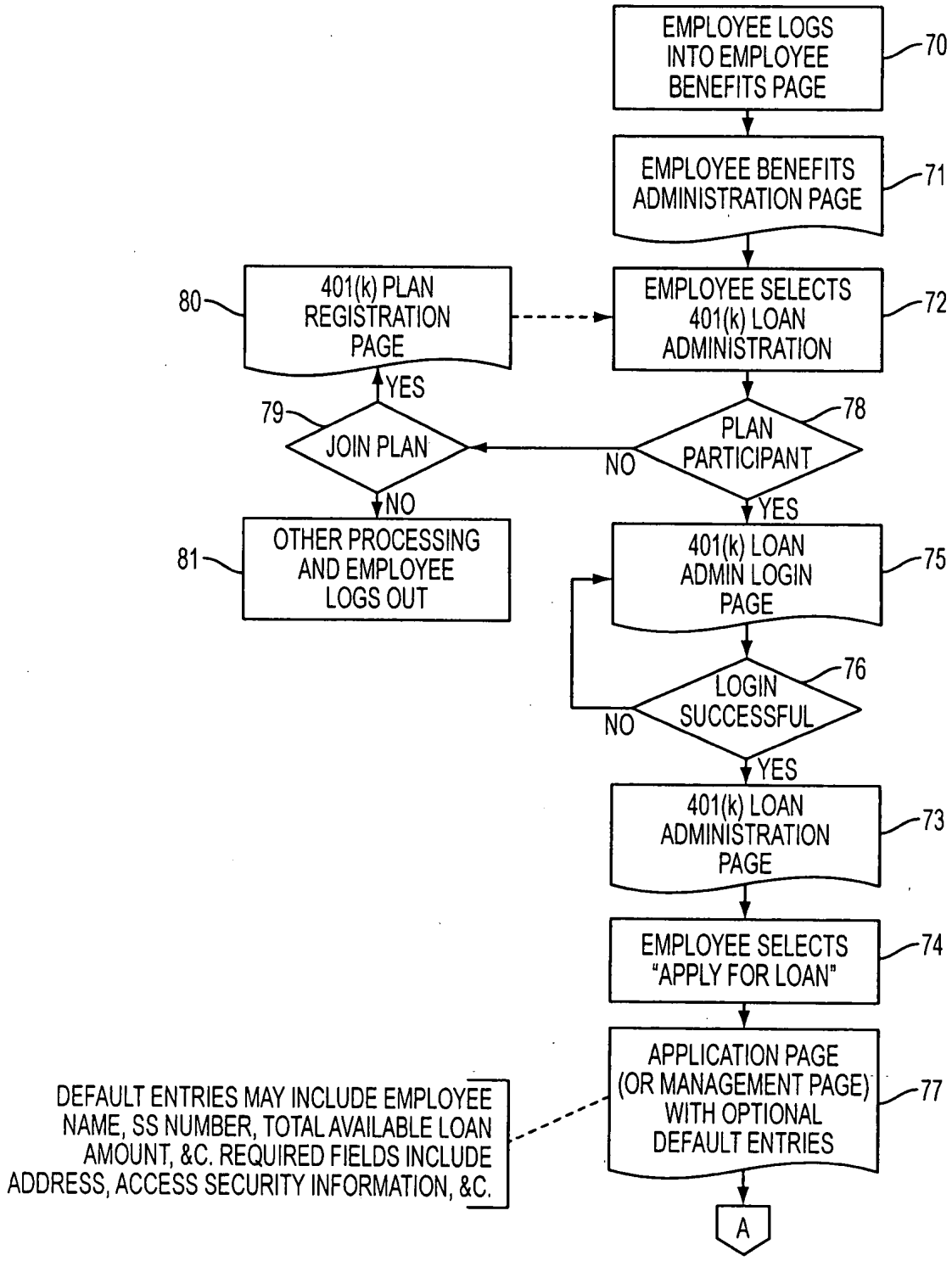
EMPLOYEE LOGS INTO EMPLOYEE BENEFITS PAGE
70
EMPLOYEE BENEFITS ADMINISTRATION PAGE
71
EMPLOYEE SELECTS 401(k) LOAN ADMINISTRATION
72
401(k) PLAN REGISTRATION PAGE
80
PLAN PARTICIPANT
78
NO
YES
JOIN PLAN
79
YES
NO
OTHER PROCESSING AND EMPLOYEE LOGS OUT
81
401(k) LOAN ADMIN LOGIN PAGE
75
LOGIN SUCCESSFUL
76
NO
YES
401(k) LOAN ADMINISTRATION PAGE
73
EMPLOYEE SELECTS "APPLY FOR LOAN"
74
APPLICATION PAGE (OR MANAGEMENT PAGE) WITH OPTIONAL DEFAULT ENTRIES
77
DEFAULT ENTRIES MAY INCLUDE EMPLOYEE NAME, SS NUMBER, TOTAL AVAILABLE LOAN AMOUNT, &C. REQUIRED FIELDS INCLUDE ADDRESS, ACCESS SECURITY INFORMATION, &C.
A

FIG. 4A

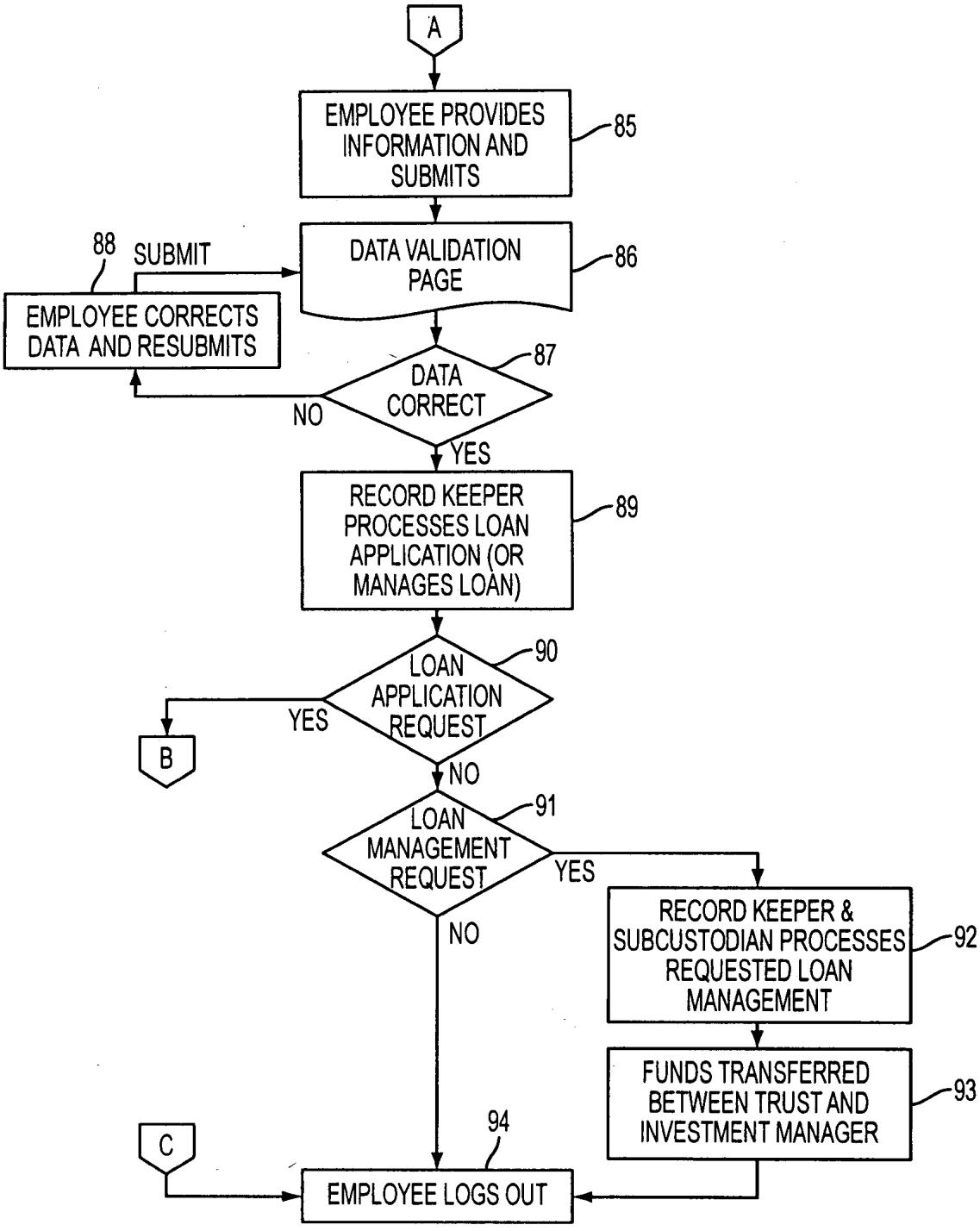
A
EMPLOYEE PROVIDES INFORMATION AND SUBMITS
85
DATA VALIDATION PAGE
86
88
SUBMIT
EMPLOYEE CORRECTS DATA AND RESUBMITS
DATA CORRECT
87
NO
YES
RECORD KEEPER PROCESSES LOAN APPLICATION (OR MANAGES LOAN)
89
LOAN APPLICATION REQUEST
90
YES
B
NO
LOAN MANAGEMENT REQUEST
91
YES
NO
RECORD KEEPER & SUBCUSTODIAN PROCESSES REQUESTED LOAN MANAGEMENT
92
FUNDS TRANSFERRED BETWEEN TRUST AND INVESTMENT MANAGER
93
C
94
EMPLOYEE LOGS OUT

FIG. 4B

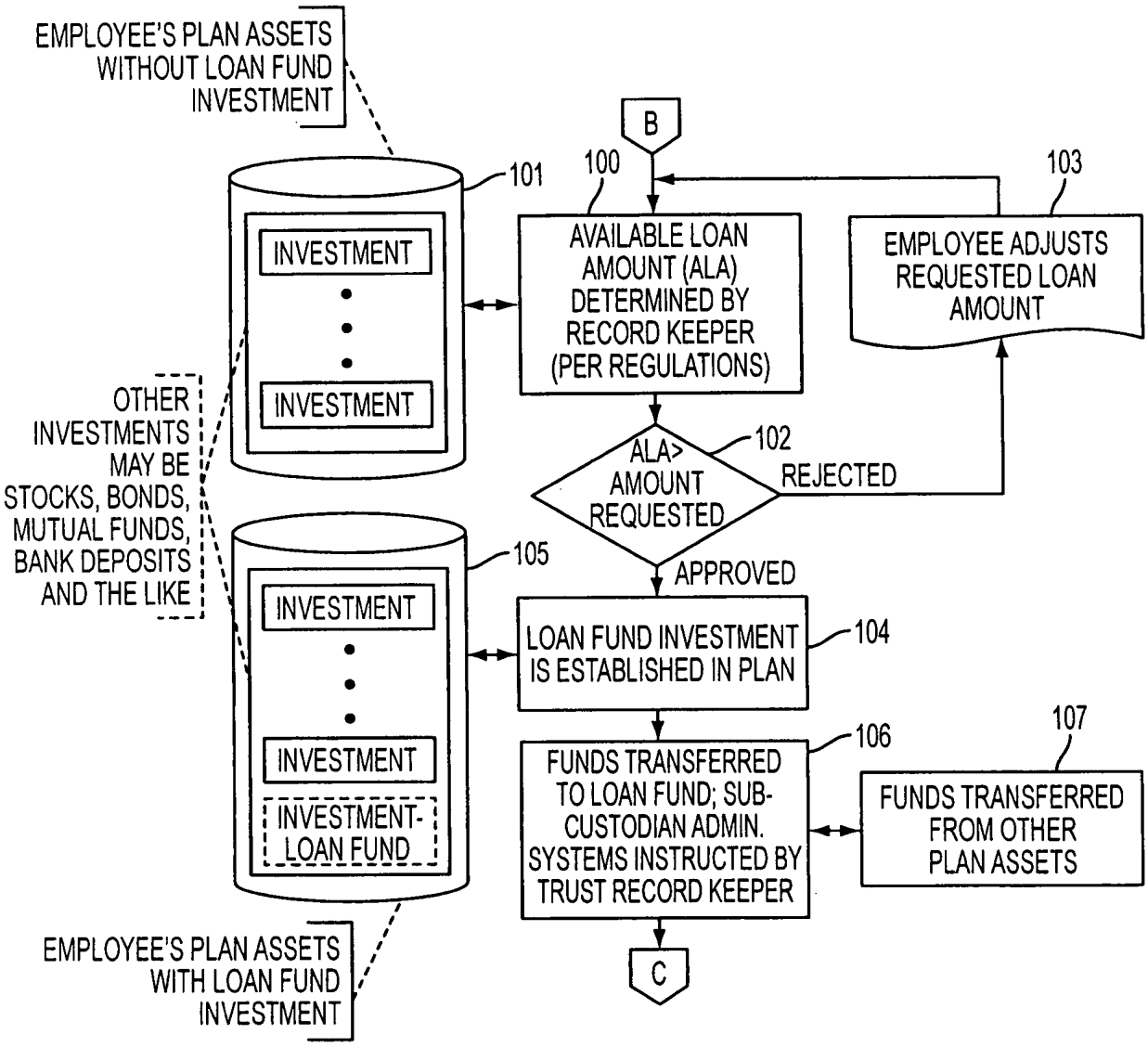
EMPLOYEE'S PLAN ASSETS WITHOUT LOAN FUND INVESTMENT
B
100
101
103
INVESTMENT
INVESTMENT
AVAILABLE LOAN AMOUNT (ALA) DETERMINED BY RECORD KEEPER (PER REGULATIONS)
EMPLOYEE ADJUSTS REQUESTED LOAN AMOUNT
OTHER INVESTMENTS MAY BE STOCKS, BONDS, MUTUAL FUNDS, BANK DEPOSITS AND THE LIKE
ALA> AMOUNT REQUESTED
102
REJECTED
APPROVED
105
INVESTMENT
INVESTMENT
INVESTMENT-LOAN FUND
LOAN FUND INVESTMENT IS ESTABLISHED IN PLAN
104
106
107
FUNDS TRANSFERRED TO LOAN FUND; SUB-CUSTODIAN ADMIN. SYSTEMS INSTRUCTED BY TRUST RECORD KEEPER
FUNDS TRANSFERRED FROM OTHER PLAN ASSETS
C
EMPLOYEE'S PLAN ASSETS WITH LOAN FUND INVESTMENT

FIG. 4C

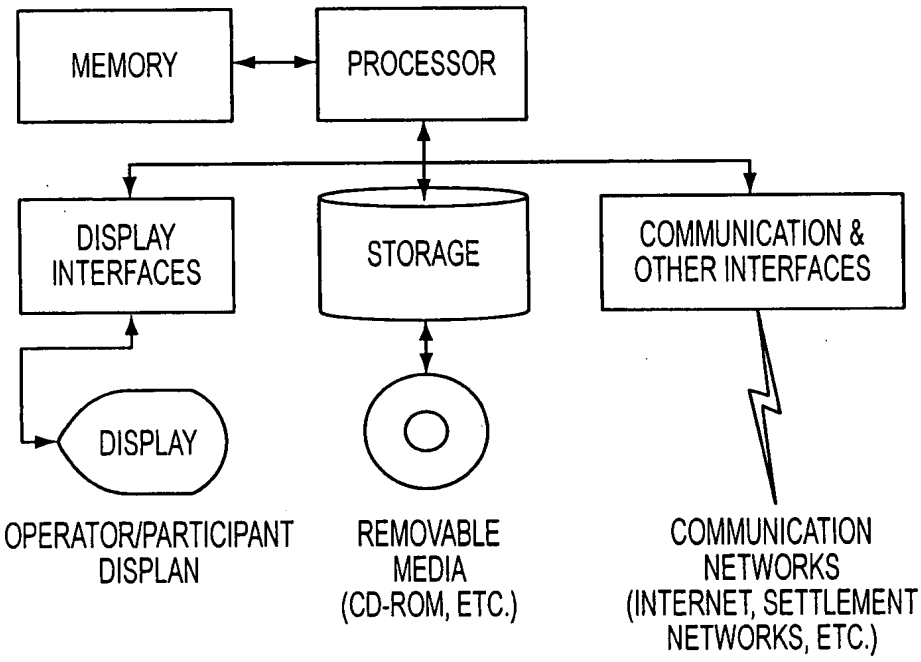
MEMORY
PROCESSOR
DISPLAY INTERFACES
STORAGE
COMMUNICATION & OTHER INTERFACES
DISPLAY
OPERATOR/PARTICIPANT DISPLAN
REMOVABLE MEDIA (CD-ROM, ETC.)
COMMUNICATION NETWORKS (INTERNET, SETTLEMENT NETWORKS, ETC.)

FIG. 5